

REMARKS

In the Office Action¹, the Examiner rejected claims 1-26 under 35 U.S.C. § 103(a) in view of U.S. Patent No. 6,606,707 to Hirota et al. ("*Hirota*") in view of U.S. Patent No. 5,884,298 to Smith et al. ("*Smith*").

Applicants propose to amend claims 1, 9, 17-20, 23, 24, and 26 and add new claim 27. Claims 1-27 are pending.

In section 2 of the Office Action, Applicants believe that the Examiner made a typographical error. Applicants believe the Examiner intended to withdraw the rejection under 35 U.S.C § 101, not 35 U.S.C. § 103.

Applicants respectfully traverse the rejection of claims 1-26 under 35 U.S.C. § 103(a) as being unpatentable over *Hirota* in view of *Smith*.

Independent claim 1 recites a device-to-device authentication system for authenticating when devices on a network are connected within a certain range, comprising: "a network interface unit configured to receive a request for authentication over the network, and a local environment management unit configured to authenticate that the first device has physically connected to the removable mediating device within a predetermined period of time before or after the removable mediating device physically connected to the second device."

Hirota discloses a semiconductor memory card. Abstract. *Hirota*'s memory card contains a section that can only be accessed after mutual authentication between the reading device and the memory card. Col. 2, lines 25-33; Col. 3, lines 12-15. In *Hirota*, the memory card can also be used to store music content. Col. 14, lines 41-45. The

¹ The Office Action contains a number of statements reflecting characterizations of the related art and the claims. Regardless of whether any such statement is identified herein, Applicant declines to automatically subscribe to any statement or characterization in the Office Action.

memory card is first inserted into a personal computer ("PC"). Col. 14, lines 45-50. The PC then executes authentication with the memory card to access the authentication area, which can store a number of read-outs, a number of permitted digital outputs, a read-out time, or an encryption key. *Id.* The PC then writes music content encrypted with the encryption key to the memory card. Col. 15, lines 1-3. Next, after the memory card is inserted into a player, mutual authentication can be preformed so that the memory card can access the encryption key and playback the data. Col. 15, lines 4-29. The player also manages the content with respect to other information stored in the authentication area, i.e. the number of read-outs, the number of permitted digital outputs, or the read-out time. Col. 16, lines 22-47.

Accordingly, *Hiriot*, at best, discloses mutual authentication between a memory card and a device and the memory card and a second device. In contrast, claim 1 recites "authentic[ation] that the first device has physically connected to the removable mediating device within a predetermined period of time before or after the removable mediating device physically connected to the second device." Moreover, claim 1, as amended, recites "a network interface unit configured to receive a request for authentication over a network." *Hirota* fails to disclose or suggest the claimed network interface.

Smith fails to cure the deficiencies of *Hirota*.

Smith discloses an optical disk jukebox. Col. 33, lines 50-55. The jukebox of *Smith* stores check in and check out information, so that a history of the check in and check out information can be displayed. Col. 33, line 58 - Col. 34, line 9. *Smith* does

not disclose or suggest that the check in and check out information is used for authentication.

Accordingly, *Hiriota* and *Smith*, alone or in combination, fail to disclose or suggest "a network interface unit configured to receive a request for authentication over a network, and a local environment management unit configured to authenticate that the first device has physically connected to the removable mediating device within a predetermined period of time before or after the removable mediating device physically connected to the second device." *Hiriota* and *Smith* do not render claim 1 obvious.

Independent claims 9, 17, and 26, and dependent claims 2-8, 10-16, 18-25 and 27, while of different scope than claim 1, are allowable over *Hiriota* and *Smith* for at least the same reasons as claim 1.

Applicants respectfully request that this Amendment under 37 C.F.R. § 1.116 be entered by the Examiner, placing claims 1-27 in condition for allowance.

Furthermore, Applicants respectfully point out that the final action by the Examiner presented some new arguments as to the application of the art. It is respectfully submitted that the entering of the Amendment would allow the Applicants to reply to the final rejections and place the application in condition for allowance.

Finally, Applicants submit that the entry of the amendment would place the application in better form for appeal, should the Examiner dispute the patentability of the pending claims. Applicants respectfully request reconsideration of this application and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge
any additional required fees to Deposit Account 06-0916.

Respectfully submitted,

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Dated: February 5, 2009

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